

Supporting Statement for Paperwork Reduction Act Submission:
Part C Medicare Advantage Reporting Requirements and
Supporting Regulations in 42 CFR 422.516(a)
CMS-10261 (OMB 0938-1054)

Background

The Centers for Medicare and Medicaid Services (CMS) established reporting requirements for Medicare Advantage Organizations (MAOs) under the authority described in 42 CFR 422.516(a). It is noted that each MAO must have an effective procedure to develop, compile, evaluate, and report to CMS, its enrollees, and the general public at the times and in the manner that CMS requires. Simultaneously, each MAO must, in accordance with § 422.516(a), safeguard the confidentiality of the doctor-patient relationship, statistics and other information with respect to the following:

- (1) Cost of its operations.
- (2) Patterns of service utilization.
- (3) Availability, accessibility, and acceptability of its services.
- (4) To the extent practical, developments in the health status of its enrollees.
- (5) Information demonstrating that the MAO has a fiscally sound operation
- (6) Other matters that CMS may require.

CMS also has oversight authority of cost plans which includes establishment of reporting requirements. If CMS initiates any new Part C reporting requirements, the Office of Management and Budget (OMB) must approve the “Information Collection Request” (ICR) under the Paperwork Reduction Act of 1995 (PRA). It is noted that National PACE plans and 1833 cost plans are excluded from reporting all Part C Reporting Requirements sections.

Changes for the 2019 Reporting Requirements will include additional data elements where more information is needed to enhance CMS oversight of Medicare Part C plans, and the elimination of requirements either no longer applicable or needed.

We received over 40 comments and many of them pertained to the new Organization Determinations and Reconsiderations (ODR) reporting elements. Specifically, many commenters asked if the new data reporting elements for “contract provider” and “non-contract provider” referred to the requesting provider or the servicing provider. In response to these comments, CMS revised the requirement to capture enrollee/representative claims submitted data instead of contract and non-contract provider data.

We also received many comments relevant to the ODR file layout in the Plan Reporting Module in HPMS. Specifically, commenters were concerned the reformatting of the ODR Plan Reporting Module from its current numeric listing of data elements to an alpha listing of elements would cause confusion. CMS made this change to be consistent with Part D reporting and we will continue using the alpha listing. However, in response to the public comments CMS has revised the format to include numbered subsections with an alpha listing under each

subsection. The revisions are included in the 30-day document.

See section 15 of this Supporting Statement for a more detailed discussion of this package's program changes and burden adjustments. A crosswalk that outlines language changes for the ODR Reporting Requirements is attached to this package.

A. Justification

1. Need and Legal Basis

In accordance with § 422.516(a), each MA organization under Part C Medicare is required to have an effective procedure to provide statistics indicating:

- 1) The cost of its operations.
- 2) The patterns of utilization of its services.
- 3) The availability, accessibility, and acceptability of its services.
- 4) To the extent practical, developments in the health status of its enrollees.
- 5) Other matters that CMS may require.

These Part C Reporting Requirements fill the need for the data that had not been available prior to the inception of the requirements in 2008. Further information about the need for such changes is included in the Background section.

2. Information Users

There are a number of information users of Part C reporting. They include CMS central and regional office staff that use this information to monitor health plans and to hold them accountable for their performances. Among CMS users are group managers, division managers, branch managers, account managers, and researchers. Other government agencies such as GAO and OIG have inquired about this information.

Health plans can use this information to measure and benchmark their performance. CMS receives inquiries from the industry about the beneficiary use of available services, patient safety, grievance rates, and other factors pertaining to the performance of MA plans.

3. Use of Information Technology

MA organizations and other health plan organizations (e.g., cost plans) use the Health Plan Management System (HPMS) to submit or enter data for all of the data elements listed within these reporting requirements. MA organizations also use HPMS to submit applications to CMS, and CMS uses the system for announcements. HPMS, therefore, is a familiar tool to MA organizations. Access to HPMS must be granted to each user and is protected by individual login and password; electronic signatures are unnecessary.

4. Duplication of Efforts

This collection does not contain duplication of similar information.

5. Small Businesses

The collection of information will have a minimal impact on small businesses since applicants must possess an insurance license and be able to accept substantial financial risk. Generally, state statutory licensure requirements effectively preclude small business from being licensed to bear risk needed to serve Medicare enrollees.

6. Less Frequent Collection

The Part C reporting requirements data with the exception of enrollment and disenrollment for reporting year 2018 are reported on an annual basis. Less frequent collection of these data from MA organizations would severely limit CMS' ability to perform accurate and timely oversight, monitoring, compliance and auditing activities around the Part C MA benefits.

7. Special Circumstances

As mandated by § 422.504(d), MA organizations must agree to maintain for 10 years books, records, documents and other evidence of accounting procedures and practices. CMS could potentially require clarification around submitted data, and therefore CMS may need to contact organizations within 60 days of data submission. Otherwise, there are no special circumstances since this information collection request does not do any of the following:

- Require respondents to report information to the agency more often than quarterly;
- Require respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
- Require respondents to submit more than an original and two copies of any document;
- Require respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
- Is connected with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
- Require the use of a statistical data classification that has not been reviewed and approved by OMB;
- Include a pledge of confidentiality that is not supported by authority established in statute or regulation that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
- Require respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentiality to the extent permitted by law.

8. Federal Register/Outside Consultation

The 60-day notice published in the Federal Register on March 26, 2018 (83 FR 12951).

Comments were received and the package was subsequently revised. Specifically CMS amended the language in some of the ODR data element descriptions to provide clarification, but did not change the cumulative total of data elements. CMS also revised the reporting layout for ODR in response to the public comments. The changes were limited to clarification of existing data elements and did not result in a change in burden.

9. Payments/Gifts to Respondents

There are no payments/gifts to respondents associated with the data validation request.

10. Confidentiality

CMS will adhere to all statutes, regulations, and agency policies regarding confidentiality.

11. Sensitive Questions

Consistent with federal government and CMS policies, CMS will protect the confidentiality of the requested proprietary information. Specifically, only information within a submitted application (or attachments thereto) that constitutes a trade secret, privileged or confidential information, (as such terms are interpreted under the Freedom of Information Act and applicable case law), and is clearly labeled as such by the Applicant, and which includes an explanation of how it meets one of the expectations specified in 45 CFR part 5, will be protected from release by CMS under 5 U.S.C. 552(b) (4). Information not labeled as trade secret, privileged, or confidential or not including an explanation of why it meets one or more of the FOIA exceptions in 45 CFR Part 5 will not be withheld from release under 5 U.S. C. 552(b)(4).

12. Burden Estimates (Hours & Wages)

Wage Estimates

To derive average costs, we used data from the U.S. Bureau of Labor Statistics’ May 2017 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). In this regard, the following table presents the mean hourly wage, the cost of fringe benefits, and the adjusted hourly wage.

Anticipated staff performing the activities required of this data collection and reporting vary, but we believe computer systems analysts would be the primary staff person responsible for this work. We believe that other staff that are involved have a similar wage therefore we use an average hourly rate of \$89.18/hour (including the adjustment cited below) to calculate estimated costs.

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Table 1: National Occupational Mean Hourly Wage and Adjusted Hourly Wage				
Occupation Title	Occupation Code	Mean Hourly Wage (\$/hr)	Fringe Benefits and Overhead (\$/hr)	Adjusted Hourly Wage (\$/hr)
Computer Systems Analyst	15-1121	44.59	44.59	89.18

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hourly wage estimate by a factor of 100 percent. This is necessarily a rough adjustment, because fringe benefits and overhead costs vary significantly from employer to employer, and methods of estimating these costs vary widely from study to study. We believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Burden Estimates

The burden associated with this ICR is the time and resources it takes to develop computer code, to “de-bug” computer code, gather the “raw” data, “clean” the data in order to eliminate errors, enter data, to compile the data, review technical specifications, and perform tests on the data. Also included is burden that is not strictly “technical.” “Non-technical” aspects of the burden include time to read instructions, answer questions, research solutions to any impediments, to develop estimates of any additional human resources needed, and to use other administrative resources involved in improving the reporting sections.

Section	Potential Respondents based on the number of approved contracts for 2018	2019 No. of Estimated Responses per Contract	2019 Estimated Total number of Responses	Estimated Cost	Sum Total of Burden Hrs. for all Part C Reporting Sections	Hourly Labor Cost of Part C Reporting	Total Burden Cost
Grievances	166	2,166	199,125	\$0			
ODR	566	114,332	10,196,128	\$0			
PFFS Payment Dispute Resolution Process	0	0	0	\$0			
Mid-Year Network Changes	566	7	3,962	\$0			
Remaining Sections		50,326		\$4,488,113			
Total		166,824		\$14,877,366			

Please note that respondents usually have more than one response per respondent because each reporting section is counted as one response and respondents (plans) generally report on multiple reporting sections. If a plan reports on seven sections annually, that would be seven responses for that particular plan. The number of approved contracts for CY 2018 reporting is 566.

Information Collection Instruments/Instructions

- Medicare Part C Plan Reporting Requirements Document for Contract Year 2019.

This document provides a description of the reporting sections, reporting timeframes and deadlines, and specific data elements for each reporting section.

13. Capital Costs

There is no capital cost associated with this collection because as indicated above, MAOs are familiar with the electronic system used to fill out this data, HPMS.

14. Cost to Federal Government

The estimated annual cost is \$300,000 to support reporting through the Health Plan Management System (HPMS) the same as previously reported. This is a “standard” estimate that we have used in our ICRs when the Health Plan Management System resources support the CMS information processing and reporting role.

15. Program and Burden Changes

Changes for the 2019 Reporting Requirements would include additional data elements where more information is needed to enhance CMS oversight of Medicare Part C plans, and the elimination of requirements either no longer applicable or needed.

We updated the average hour estimates per contract and reporting. Using the revised contract data, we adjusted these estimates based on: (1) the percentage increase in the number of data elements for Organization Determinations and Reconsiderations (ODR), (2) the reduction in the number of data elements for grievance reporting, and (3) the burden decreases due to the suspension of the reporting elements for the Private Fee for Service Provider Payment Dispute Resolution Process and Mid-Year Network Changes reporting section.

Using recent contract data, this iteration increases the number of contracts from 544 to 566 (an increase of 22 contracts). Similarly, we propose to increase or response estimate by 454 responses (from 3,508 to 3,962 responses).

Please note that respondents usually have more than one response per respondent because each reporting section is counted as one response and respondents (plans) generally report on multiple reporting sections. If, for example, a plan reports on seven sections annually, that would be seven responses for that particular plan.

Despite the increase in the number of contracts, the removal of the two reporting sections and the deletion of the many of the grievance elements resulted in an overall decrease in burden despite the additional elements for ODR Reporting. Overall, we estimate a decrease of 2,253 hours (from 169,077 to 166,824 hours).

Organization Determinations/Reconsiderations (ODR)

CMS amended language for the proposed 2019 Part C Reporting Requirements for ODR data elements relevant to contract and non-contract providers. In response to many of the 60-day comments received, CMS revised the requirement to capture enrollee/representative claims submitted data instead of contract and non-contract provider data. This change was made because contract provider appeal rights fall outside the Subpart M Medicare appeals process. However, the cumulative total number of data elements collected for ODR reporting did not change. CMS believes the collection of this data is important because it will demonstrate how often enrollees are submitting reimbursement requests and the outcome of plan decisions, and will show better alignment with the Independent Review Entity (IRE) data. The change in the data collection will not increase plan burden significantly because the plans are already collecting this data during audits as well as for the timeliness monitoring project. CMS also

amended the file layout for ODR Reporting from an alpha listing for each data element to using a hybrid of alpha and numeric listing for the data elements. A detailed crosswalk of the language changes in the data element descriptions is provided in a separate document.

16. Publication/Tabulation Dates

The data are collected and validated annually. CMS makes data available to the public by posting the Part C and the Part D annual reports on the CMS.gov website. The 2016 reports are currently on the website and we anticipate that 2017 reports will be available in mid- calendar year of 2019.

In addition, CMS makes data from some reporting sections available on an annual basis in the form of public use files (PUFs) in support of its transparency goals. The data is released late in the calendar year once CMS has verified the data are accurate. The public use files are also available on the CMS.gov website.

17. Expiration Date

The expiration date will be displayed.

18. Certification Statement

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

This information collection does not require statistical analyses to be conducted by the reporting organizations.